

EXHIBIT 7

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Attorneys for Plaintiffs

UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

KINGSWAY FINANCIAL SERVICES, INC.,
AMERICAN COUNTRY HOLDINGS, INC.,
AMERICAN SERVICE INSURANCE
COMPANY, LINCOLN INSURANCE
COMPANY, and UNIVERSAL CASUALTY
COMPANY,

Plaintiffs,

- against -

PRICEWATERHOUSECOOPERS, LLP,
MARTIN L. SOLOMON, EDWIN W. ELDER,
WILLIAM J. BARRETT, WILMER J. THOMAS,
JR., JOHN A. DORE, and KARLA VIOLETTA,

Defendants.

03 Civ. 5560 (RMB)

**PLAINTIFFS' INITIAL DISCLOSURES
PURSUANT TO FEDERAL RULE OF CIVIL PROCEDURE 26(a)(1)**

Plaintiffs Kingsway Financial Services, Inc. ("Kingsway"), American Country Holdings, Inc. ("ACHI"), American Service Insurance Company ("American Service"), Lincoln Insurance Company ("Lincoln Insurance"), and Universal Casualty Company ("Universal Casualty"), without waiver of any available privileges or immunities, hereby submit their pre-discovery initial disclosures pursuant to Federal Rule of Civil Procedure 26(a)(1)(A-D). The responses set forth herein constitute the best information presently available to plaintiffs. Plaintiffs have not completed their investigation of the facts

underlying this lawsuit, however, nor have they completed their discovery or preparation of this case for trial. Accordingly, these responses are provided without prejudice to plaintiffs' rights to timely amend, supplement, or change said responses if and when additional, different, or more accurate information becomes available. The responses are also subject to correction for inadvertent errors or omissions, if any such errors or omissions are later found to exist.

I.

FRCP 26(a)(1)(A): Provide the name and, if known, the address and telephone number of each individual likely to have discoverable information that the disclosing party may use to support its claims or defenses, unless solely for impeachment, identifying the subjects of the information;

Response:

NAME	ADDRESS	SUBJECT MATTER
LINDA ALANIS	May be contacted through Edwards & Angell, LLP	Knowledge of accounting practices and preparation of financial statements filed with SEC
TONY ANDERSON	Ernst & Young Sears Tower 233 South Wacker Drive Chicago, IL 60606-6301 (312) 879-2000	Knowledge of actuarial analysis performed by E&Y
LAWRENCE C. BACHMAN	May be contacted through Edwards & Angell, LLP; however, direct address is: Schiff Hardin & Waite 6600 Sears Tower Chicago, IL 60606-6473 (312) 258-5500	Schiff Hardin & Waite represented ACHI in various areas

III.

FRCP 26(a)(1)(C): Provide a computation of any category of damages claimed by the disclosing party, making available for inspection and copying as under Rule 34 the documents or other evidentiary material, not privileged or protected from disclosure, on which such computation is based, including materials bearing on the nature and extent of injuries suffered;

Response:

Plaintiffs' initial estimate is \$106,636.00, based upon defendants' fraudulent understating of the company's actuarial reserves, as set forth below.

Purchase of Common Stock:	
Understatement of Unpaid Losses and LAE's	\$ 67,300,000
Overstatement of Deferred Income Taxes	1,200,000
Overstatement of Goodwill	9,237,000
	77,737,000
2002 and 2003 Underwriting Losses	12,620,000
Opportunity Cost, lost Kingsway profits	14,241,000
Out-of-Pocket Expenses, legal and accounting	2,038,000
Total Economic Damages	\$106,636,000

Plaintiffs are still pursuing a more definitive estimate of the full extent of damages.

Such damages do not include all attorneys' fees and other litigation costs incurred to date.

IV.

FRCP 26(a)(1)(D): Provide for inspection and copying as under Rule 34 any insurance agreement under which any person carrying on an insurance business may be liable to satisfy part or all of a judgment which may be entered in the action or to indemnify or reimburse for payments made to satisfy the judgment.

Response:

To the extent not already provided, plaintiffs will make available for inspection and copying copies of insurance policies issued by Great American Insurance Company for Directors, Officers and Corporate Liability and by Chubb Insurance Company for Professional Liability during the relevant period.

Dated: New York, New York
August 19, 2005

EDWARDS & ANGELL, LLP

By: 

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